

111TH CONGRESS
2D SESSION

S. 3295

To amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 30, 2010

Mr. SCHUMER (for himself, Mr. FEINGOLD, Mr. WYDEN, Mr. BAYH, Mr. FRANKEN, Mr. DURBIN, Mrs. MURRAY, Mr. LEAHY, Mr. BENNET, Mr. BROWN of Ohio, Mr. REED, Mr. WHITEHOUSE, Mr. SPECTER, Mr. MERKLEY, Ms. KLOBUCHAR, Mr. KAUFMAN, Mr. UDALL of Colorado, Mr. BINGAMAN, Mrs. GILLIBRAND, Mr. CASEY, Mr. BEGICH, Ms. MIKULSKI, Mr. SANDERS, Mr. HARKIN, Mr. ROCKEFELLER, Mrs. McCASKILL, Mr. MENENDEZ, Mrs. SHAHEEN, Mr. LAUTENBERG, Mrs. FEINSTEIN, Mr. TESTER, Mr. BAUCUS, Mr. CONRAD, Mrs. BOXER, Mr. AKAKA, Mr. NELSON of Florida, Mr. LEVIN, and Mr. BURRIS) introduced the following bill; which was read twice and referred to the Committee on Rules and Administration

A BILL

To amend the Federal Election Campaign Act of 1971 to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes.

(a) SHORT TITLE.—This Act may be cited as the “Democracy Is Strengthened by Casting Light On Spending in Elections Act” or the “DISCLOSE Act”.

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

Sec. 101. Prohibiting independent expenditures and electioneering communications by government contractors.

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TITLE III—DISCLOSURE BY COVERED ORGANIZATIONS OF
INFORMATION ON CAMPAIGN-RELATED ACTIVITY

Sec. 301. Requiring disclosure by covered organizations of information on campaign-related activity.

TITLE IV—TELEVISION MEDIA RATES

Sec. 401. Television media rates.

TITLE V—OTHER PROVISIONS

Sec. 501. Judicial review.

Sec. 502. Severability.

Sec. 503. Effective date.

1 **SEC. 2. FINDINGS.**

2 (a) GENERAL FINDINGS.—Congress finds and de-
3 clares as follows:

4 (1) Throughout the history of the United
5 States, the American people have been rightly con-
6 cerned about the power of special interests to control
7 our democratic processes. That was true over 100
8 years ago when Congress first enacted legislation in-
9 tended to restrict corporate funds from being used
10 in Federal elections, legislation that Congress in
11 1947 reaffirmed was intended to include inde-
12 pendent expenditures. The Supreme Court held such
13 legislation to be constitutional in 1990 in *Austin v.*
14 *Michigan Chamber of Commerce* (494 U.S. 652)
15 and again in 2003 in *McConnell v. F.E.C.* (540 U.S.
16 93).

1 (2) The Supreme Court’s decision in Citizens
2 United v. Federal Election Commission on January
3 21, 2010, reverses established jurisprudence and
4 sound policy to greatly increase the dangers of
5 undue special interest influence over the democratic
6 process. That decision has opened the floodgates for
7 corporations and labor unions to spend unlimited
8 sums from their general treasury accounts to influ-
9 ence the outcome of elections.

10 (3) Congress must take action to ensure that
11 the American public has all the information nec-
12 essary to exercise its free speech and voting rights,
13 and must otherwise take narrowly tailored steps to
14 regulate independent expenditures and electioneering
15 communications in elections.

16 (b) FINDINGS RELATING TO GOVERNMENT CON-
17 TRACTORS.—Congress finds and declares as follows:

18 (1) Government contracting is an activity that
19 is particularly susceptible to improper influence, and
20 to the appearance of improper influence. Govern-
21 ment contracts must be awarded based on an objec-
22 tive evaluation of how well bidders or potential con-
23 tractors meet relevant statutory criteria.

24 (2) Independent expenditures and electioneering
25 communications that benefit particular candidates or

1 elected officials or disfavor their opponents can lead
2 to apparent and actual ingratiation, access, influ-
3 ence, and quid pro quo arrangements. Government
4 contracts should be awarded based on an objective
5 application of statutory criteria, not based on other
6 forms of inappropriate or corrupting influence.

7 (3) Prohibiting independent expenditures and
8 electioneering communications by persons negoti-
9 ating for or performing government contracts will
10 prevent government officials involved in or with in-
11 fluence over the contracting process from influencing
12 the contracting process based, consciously or other-
13 wise, on this kind of inappropriate or corrupting in-
14 fluence.

15 (4) Prohibiting independent expenditures and
16 electioneering communications by persons negoti-
17 ating for or performing government contracts will
18 likewise prevent such persons from feeling pressure,
19 whether actually exerted by government officials or
20 not, to make expenditures and to fund communica-
21 tions in order to maximize their chances of receiving
22 contracts, or to match similar expenditures and com-
23 munications made by their competitors.

24 (5) Furthermore, because government contracts
25 often involve large amounts of public money, it is

1 critical that the public perceive that the government
2 contracts are awarded strictly in accordance with
3 prescribed statutory standards, and not based on
4 other forms of inappropriate or corrupting influence.
5 The public's confidence in government is under-
6 mined when corporations that make significant ex-
7 penditures during Federal election campaigns later
8 receive government funds.

9 (6) Prohibiting independent expenditures and
10 electioneering communications by persons negoti-
11 ating for or performing government contracts will
12 prevent any appearance that government contracts
13 were awarded based in whole or in part on such ex-
14 penditures or communications, or based on the inap-
15 propriate or corrupting influence such expenditures
16 and communications can create and appear to cre-
17 ate.

18 (7) In these ways, prohibiting independent ex-
19 penditures and electioneering communications by
20 persons negotiating for or performing government
21 contracts will protect the actual and perceived integ-
22 rity of the government contracting process.

23 (8) Moreover, the risks of waste, fraud and
24 abuse, all resulting in economic losses to taxpayers,
25 are significant when would-be public contractors or

1 applicants for public funds make expenditures in
2 Federal election campaigns in order to affect elec-
3 toral outcomes.

4 (c) FINDINGS RELATING TO FOREIGN CORPORA-
5 TIONS.—Congress finds and declares as follows:

6 (1) The Supreme Court’s decision in the Citi-
7 zens United case has provided the means by which
8 United States corporations controlled by foreign en-
9 tities can freely spend money to influence United
10 States elections.

11 (2) Foreign corporations commonly own U.S.
12 corporations in whole or in part, and U.S. corporate
13 equity and debt are also held by foreign individuals,
14 sovereign wealth funds, and even foreign nations at
15 levels which permit effective control over those U.S.
16 entities.

17 (3) As recognized in many areas of the law, for-
18 eign ownership interests and influences are exerted
19 in a perceptible way even when the entity is not ma-
20 jority-foreign-owned.

21 (4) The Federal Government has broad con-
22 stitutional power to protect American interests and
23 sovereignty from foreign interference and intrusion.

1 (5) Congress has a clear interest in minimizing
2 foreign intervention, and the perception of foreign
3 intervention, in United States elections.

4 (d) FINDINGS RELATING TO COORDINATED EXPEND-
5 ITURES.—Congress finds and declares as follows:

6 (1) It has been the consistent view of Congress
7 and the courts that coordinated expenditures in
8 campaigns for election are no different in nature
9 from contributions.

10 (2) Existing rules still allow donors to evade
11 contribution limits by making campaign expendi-
12 tures which, while technically qualifying as inde-
13 pendent expenditures under law, are for all relevant
14 purposes coordinated with candidates and political
15 parties and thus raise the potential for corruption or
16 the appearance of corruption.

17 (3) Such arrangements have the potential to
18 give rise to the reality or appearance of corruption
19 to the same degree that direct contributions to a
20 candidate may give rise to the reality or appearance
21 of corruption. Moreover, expenditures which are in
22 fact made in coordination with a candidate or polit-
23 ical party have the potential to lessen the public's
24 trust and faith in the rules and the integrity of the
25 electoral process.

1 (4) The government therefore has a compelling
2 interest in making sure that expenditures that are
3 de facto coordinated with a candidate are treated as
4 such to prevent corruption, the appearance of cor-
5 ruption, or the perception that some participants are
6 circumventing the laws and regulations which govern
7 the financing of election campaigns.

8 (e) FINDINGS RELATING TO DISCLOSURES AND DIS-
9 CLAIMERS.—Congress finds and declares as follows:

10 (1) The American people have a compelling in-
11 terest in knowing who is funding independent ex-
12 penditures and electioneering communications to in-
13 fluence Federal elections, and the government has a
14 compelling interest in providing the public with that
15 information. Effective disclaimers and prompt disclo-
16 sure of expenditures, and the disclosure of the fund-
17 ing sources for these expenditures, can provide
18 shareholders, voters, and citizens with the informa-
19 tion needed to evaluate the actions by special inter-
20 ests seeking influence over the democratic process.
21 Transparency promotes accountability, increases the
22 fund of information available to the public con-
23 cerning the support given to candidates by special
24 interests, sheds the light of publicity on political
25 spending, and encourages the leaders of organiza-

1 tions to act only upon legitimate organizational pur-
2 poses.

3 (2) Protecting this compelling interest has be-
4 come particularly important to address the antici-
5 pated increase in special interest spending on elec-
6 tion-related communications which will result from
7 the Supreme Court's decision in the Citizens United
8 case. The current disclosure and disclaimer require-
9 ments were designed for a campaign finance system
10 in which such expenditures were subject to prohibi-
11 tions that no longer apply.

12 (3) More rigorous disclosure and disclaimer re-
13 quirements are necessary to protect against the eva-
14 sion of current rules. Organizations that engage in
15 election-related communications have used a variety
16 of methods to attempt to obscure their sponsorship
17 of communications from the general public. Robust
18 disclosure and disclaimer requirements are necessary
19 to ensure that the electorate is informed about who
20 is paying for particular election-related communica-
21 tions, and so that the shareholders and members of
22 these organizations are aware of their organizations'
23 election-related spending.

24 (4) The current lack of accountability and
25 transparency allow special interest political spending

1 to serve as a private benefit for the officials of spe-
2 cial interest organizations, to the detriment of the
3 organizations and their shareholders and members.

4 (f) FINDINGS RELATING TO CAMPAIGN SPENDING BY
5 LOBBYISTS.—Congress finds and declares as follows:

6 (1) Lobbyists and lobbying organizations, and
7 through them, their clients, influence the public deci-
8 sion-making process in a variety of ways.

9 (2) In recent years, scandals involving undue
10 lobbyist influence have lowered public trust in gov-
11 ernment and jeopardized the willingness of voters to
12 take part in democratic governance.

13 (3) One way in which lobbyists may unduly in-
14 fluence Federal officials is through their or their cli-
15 ents making independent expenditures or election-
16 eering communications targeting elected officials.

17 (4) Disclosure of such independent expenditures
18 and electioneering communications will allow the
19 public to examine connections between such spend-
20 ing and official actions, and will therefore limit the
21 ability of lobbyists to exert an undue influence on
22 elected officials.

23 (g) FINDINGS RELATING TO LOWEST UNIT
24 CHARGE.—Congress finds and declares as follows:

1 (1) The purpose of the First Amendment is to
2 ensure a robust marketplace of ideas. The govern-
3 ment has a compelling interest in ensuring that
4 Americans have access to this robust marketplace of
5 ideas through the variety of media supported by the
6 government.

7 (2) In recent years, the cost of political commu-
8 nication has been artificially inflated as candidates,
9 parties, interest groups, and commercial advertisers
10 compete for a dwindling supply of airtime in the pe-
11 riods before elections. Candidates for Federal elec-
12 tion are currently forced to pay higher premiums for
13 “nonpreemptible” advertisement time so as not to be
14 replaced by commercial advertisements in such peri-
15 ods.

16 (3) The high cost of advertising for Federal
17 candidates and their political parties makes it less
18 likely that Americans will receive information nec-
19 essary to engage fully in the electoral process and
20 hear directly from all participants. The high cost of
21 advertising for Federal candidates and political par-
22 ties also drives the demand for large, potentially cor-
23 rupting contributions to Federal election campaigns
24 and forces elected officials to spend more time rais-

ing money and less time performing their official responsibilities.

(4) Lower advertising costs enhance the ability of candidates to present and the public to receive information necessary for the effective operation of the democratic process. Lower advertising costs reduce the potential for corrupting contributions to Federal election campaigns. Lower advertising costs allow elected officials to spend more time serving the public interest instead of raising funds to pay for campaign advertisements.

TITLE I—REGULATION OF CERTAIN POLITICAL SPENDING

SEC. 101. PROHIBITING INDEPENDENT EXPENDITURES AND ELECTIONEERING COMMUNICATIONS BY GOVERNMENT CONTRACTORS.

(a) PROHIBITION APPLICABLE TO GOVERNMENT CONTRACTORS.—

(1) PROHIBITION.—

(A) IN GENERAL.—Section 317(a)(1) of the Federal Election Campaign Act (2 U.S.C. 441c(a)(1)) is amended by striking “purpose or use; or” and inserting the following: “purpose or use, to make any independent expenditure,

1 or to disburse any funds for an electioneering
2 communication; or”.

3 (B) CONFORMING AMENDMENT.—The
4 heading of section 317 of such Act (2 U.S.C.
5 441c) is amended by striking “CONTRIBU-
6 TIONS” and inserting “CONTRIBUTIONS, INDE-
7 PENDENT EXPENDITURES, AND ELECTION-
8 EERING COMMUNICATIONS”.

9 (2) THRESHOLD FOR APPLICATION OF BAN.—
10 Section 317 of such Act (2 U.S.C. 441c) is amend-
11 ed—

12 (A) by redesignating subsections (b) and
13 (c) as subsections (c) and (d); and

14 (B) by inserting after subsection (a) the
15 following new subsection:

16 “(b) To the extent that subsection (a)(1) prohibits
17 a person who enters into a contract described in such sub-
18 section from making any independent expenditure or dis-
19 bursing funds for an electioneering communication, such
20 subsection shall apply only if the value of the contract is
21 equal to or greater than \$50,000.”.

22 (b) APPLICATION TO RECIPIENTS OF ASSISTANCE
23 UNDER TROUBLED ASSET PROGRAM.—Section 317(a) of
24 such Act (2 U.S.C. 441c(a)) is amended—

1 (1) by striking “or” at the end of paragraph
2 (1);

3 (2) by redesignating paragraph (2) as para-
4 graph (3); and

5 (3) by inserting after paragraph (1) the fol-
6 lowing new paragraph:

7 “(2) who enters into negotiations for financial
8 assistance under title I of the Emergency Economic
9 Stabilization Act of 2008 (12 U.S.C. 5211 et seq.)
10 (relating to the purchase of troubled assets by the
11 Secretary of the Treasury), during the period—

12 “(A) beginning on the later of the com-
13 mencement of the negotiations or the date of
14 the enactment of the Democracy Is Strength-
15 ened by Casting Light On Spending in Elec-
16 tions Act; and

17 “(B) ending with the later of the termi-
18 nation of such negotiations or the repayment of
19 such financial assistance;

20 directly or indirectly to make any contribution of
21 money or other things of value, or to promise ex-
22 pressly or impliedly to make any such contribution
23 to any political party, committee, or candidate for
24 public office or to any person for any political pur-
25 pose or use, to make any independent expenditure,

1 or to disburse any funds for an electioneering com-
 2 munication; or”.

3 (c) TECHNICAL AMENDMENT.—Section 317 of such
 4 Act (2 U.S.C. 441c) is amended by striking “section 321”
 5 each place it appears and inserting “section 316”.

6 **SEC. 102. APPLICATION OF BAN ON CONTRIBUTIONS AND**
 7 **EXPENDITURES BY FOREIGN NATIONALS TO**
 8 **FOREIGN-CONTROLLED DOMESTIC COR-**
 9 **PORATIONS.**

10 (a) APPLICATION OF BAN.—Section 319(b) of the
 11 Federal Election Campaign Act of 1971 (2 U.S.C.
 12 441e(b)) is amended—

13 (1) by striking “or” at the end of paragraph
 14 (1);

15 (2) by striking the period at the end of para-
 16 graph (2) and inserting “; or”; and

17 (3) by adding at the end the following new
 18 paragraph:

19 “(3) any corporation which is not a foreign na-
 20 tional described in paragraph (1) and—

21 “(A) in which a foreign national described
 22 in paragraph (1) or (2) directly or indirectly
 23 owns 20 percent or more of the voting shares;

24 “(B) with respect to which the majority of
 25 the members of the board of directors are for-

1 eign nationals described in paragraph (1) or
2 (2);

3 “(C) over which one or more foreign na-
4 tionals described in paragraph (1) or (2) has
5 the power to direct, dictate, or control the deci-
6 sion-making process of the corporation with re-
7 spect to its interests in the United States; or

8 “(D) over which one or more foreign na-
9 tionals described in paragraph (1) or (2) has
10 the power to direct, dictate, or control the deci-
11 sionmaking process of the corporation with re-
12 spect to activities in connection with a Federal,
13 State, or local election, including—

14 “(i) the making of a contribution, do-
15 nation, expenditure, independent expendi-
16 ture, or disbursement for an electioneering
17 communication (within the meaning of sec-
18 tion 304(f)(3)); or

19 “(ii) the administration of a political
20 committee established or maintained by the
21 corporation.”.

22 (b) CERTIFICATION OF COMPLIANCE.—Section 319
23 of such Act (2 U.S.C. 441e) is amended by adding at the
24 end the following new subsection:

1 “(c) CERTIFICATION OF COMPLIANCE REQUIRED
 2 PRIOR TO CARRYING OUT ACTIVITY.—Prior to the mak-
 3 ing of any contribution, donation, expenditure, inde-
 4 pendent expenditure, or disbursement for an election-
 5 eering communication by a corporation during a year, the
 6 chief executive officer of the corporation (or, if the cor-
 7 poration does not have a chief executive officer, the high-
 8 est ranking official of the corporation), shall file a certifi-
 9 cation with the Commission, under penalty of perjury, that
 10 the corporation is not prohibited from carrying out such
 11 activity under subsection (b)(3), unless the chief executive
 12 officer has previously filed such a certification during the
 13 year.”.

14 **SEC. 103. TREATMENT OF PAYMENTS FOR COORDINATED**
 15 **COMMUNICATIONS AS CONTRIBUTIONS.**

16 (a) IN GENERAL.—Section 301(8)(A) of the Federal
 17 Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is
 18 amended—

19 (1) by striking “or” at the end of clause (i);

20 (2) by striking the period at the end of clause

21 (ii) and inserting “; or”; and

22 (3) by adding at the end the following new
 23 clause:

24 “(iii) any payment made by any person

25 (other than a candidate, an authorized com-

1 mittee of a candidate, or a political committee
 2 of a political party) for a coordinated commu-
 3 nication (as determined under section 324).”.

4 (b) COORDINATED COMMUNICATIONS DESCRIBED.—
 5 Section 324 of such Act (2 U.S.C. 431 et seq.) is amended
 6 to read as follows:

7 **“SEC. 324. COORDINATED COMMUNICATIONS.**

8 “(a) COORDINATED COMMUNICATIONS DEFINED.—
 9 For purposes of this Act, the term ‘coordinated commu-
 10 nication’ means—

11 “(1) a covered communication which is made in
 12 cooperation, consultation, or concert with, or at the
 13 request or suggestion of, a candidate, an authorized
 14 committee of a candidate, or a political committee of
 15 a political party; or

16 “(2) any communication that republishes, dis-
 17 seminates, or distributes, in whole or in part, any
 18 broadcast or any written, graphic, or other form of
 19 campaign material prepared by a candidate, an au-
 20 thorized committee of a candidate, or their agents.

21 “(b) COVERED COMMUNICATION DEFINED.—

22 “(1) IN GENERAL.—Except as provided in para-
 23 graph (4), for purposes of this subsection, the term
 24 ‘covered communication’ means, for purposes of the
 25 applicable election period described in paragraph (2),

1 a publicly distributed or disseminated communica-
 2 tion that refers to a clearly identified candidate for
 3 Federal office and is publicly distributed or publicly
 4 disseminated during such period.

5 “(2) APPLICABLE ELECTION PERIOD.—For
 6 purposes of paragraph (1), the ‘applicable election
 7 period’ with respect to a communication means—

8 “(A) in the case of a communication which
 9 refers to a candidate for the office of President
 10 or Vice President, the period—

11 “(i) beginning with the date that is
 12 120 days before the date of the first pri-
 13 mary election, preference election, or nomi-
 14 nating convention for nomination for the
 15 office of President which is held in any
 16 State; and

17 “(ii) ending with the date of the gen-
 18 eral election for such office; or

19 “(B) in the case of a communication which
 20 refers to a candidate for any other Federal of-
 21 fice, the period—

22 “(i) beginning with the date that is 90
 23 days before the earliest of the primary
 24 election, preference election, or nominating
 25 convention with respect to the nomination

1 for the office that the candidate is seeking;
2 and

3 “(ii) ending with the date of the gen-
4 eral election for such office.

5 “(3) SPECIAL RULE FOR PUBLIC DISTRIBUTION
6 OF COMMUNICATIONS INVOLVING CONGRESSIONAL
7 CANDIDATES.—For purposes of paragraph (1), in
8 the case of a communication involving a candidate
9 for an office other than President or Vice President,
10 the communication shall be considered to be publicly
11 distributed or publicly disseminated only if the dis-
12 semination or distribution occurs in the jurisdiction
13 of the office that the candidate is seeking.

14 “(4) EXCEPTION.—The term ‘covered commu-
15 nication’ does not include—

16 “(A) a communication appearing in a news
17 story, commentary, or editorial distributed
18 through the facilities of any broadcasting sta-
19 tion, newspaper, magazine, or other periodical
20 publication, unless such facilities are owned or
21 controlled by any political party, political com-
22 mittee, or candidate; or

23 “(B) a communication which constitutes a
24 candidate debate or forum conducted pursuant
25 to the regulations adopted by the Commission

1 to carry out section 304(f)(3)(B)(iii), or which
2 solely promotes such a debate or forum and is
3 made by or on behalf of the person sponsoring
4 the debate or forum.

5 “(c) TREATMENT OF COORDINATION WITH POLIT-
6 ICAL PARTIES FOR COMMUNICATIONS REFERRING TO
7 CANDIDATES.—For purposes of this section, if a commu-
8 nication which refers to any clearly identified candidate
9 or candidates of a political party or any opponent of such
10 a candidate or candidates is determined to have been made
11 in cooperation, consultation, or concert with or at the re-
12 quest or suggestion of a political committee of the political
13 party but not in cooperation, consultation, or concert with
14 or at the request or suggestion of such clearly identified
15 candidate or candidates, the communication shall be treat-
16 ed as having been made in cooperation, consultation, or
17 concert with or at the request or suggestion of the political
18 committee of the political party but not with or at the
19 request or suggestion of such clearly identified candidate
20 or candidates.”.

21 (c) EFFECTIVE DATE.—

22 (1) IN GENERAL.—This section and the amend-
23 ments made by this section shall apply with respect
24 to payments made on or after the expiration of the
25 30-day period which begins on the date of the enact-

1 ment of this Act, without regard to whether or not
 2 the Federal Election Commission has promulgated
 3 regulations to carry out such amendments.

4 (2) TRANSITION RULE FOR ACTIONS TAKEN
 5 PRIOR TO ENACTMENT.—No person shall be consid-
 6 ered to have made a payment for a coordinated com-
 7 munication under section 324 of the Federal Elec-
 8 tion Campaign Act of 1971 (as amended by sub-
 9 section (b)) by reason of any action taken by the
 10 person prior to the date of the enactment of this
 11 Act. Nothing in the previous sentence shall be con-
 12 strued to affect any determination under any other
 13 provision of such Act which is in effect on the date
 14 of the enactment of this Act regarding whether a
 15 communication is made in cooperation, consultation,
 16 or concert with, or at the request or suggestion of,
 17 a candidate, an authorized committee of a candidate,
 18 or a political committee of a political party.

19 **SEC. 104. TREATMENT OF POLITICAL PARTY COMMUNICA-**
 20 **TIONS MADE ON BEHALF OF CANDIDATES.**

21 (a) TREATMENT OF PAYMENT FOR COMMUNICATION
 22 AS CONTRIBUTION IF MADE UNDER CONTROL OR DIREC-
 23 TION OF CANDIDATE.—Section 301(8)(A) of the Federal
 24 Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)), as
 25 amended by section 103(a), is amended—

1 (1) by striking “or” at the end of clause (ii);

2 (2) by striking the period at the end of clause

3 (iii) and inserting “; or”; and

4 (3) by adding at the end the following new

5 clause:

6 “(iv) any payment by a political committee

7 of a political party for the direct costs of a com-

8 munication made on behalf of a candidate for

9 Federal office who is affiliated with such party,

10 but only if the communication is controlled by,

11 or made at the direction of, the candidate or an

12 authorized committee of the candidate.”.

13 (b) REQUIRING CONTROL OR DIRECTION BY CAN-

14 DIDATE FOR TREATMENT AS COORDINATED PARTY EX-

15 PENDITURE.—

16 (1) IN GENERAL.—Paragraph (4) of section

17 315(d) of such Act (2 U.S.C. 441a(d)) is amended

18 to read as follows:

19 “(4) SPECIAL RULE FOR DIRECT COSTS OF COMMU-

20 NICATIONS.—The direct costs incurred by a political com-

21 mittee of a political party for a communication made in

22 connection with the campaign of a candidate for Federal

23 office shall not be subject to the limitations contained in

24 paragraphs (2) and (3) unless the communication is con-

1 trolled by, or made at the direction of, the candidate or
 2 an authorized committee of the candidate.”.

3 (2) CONFORMING AMENDMENT.—Paragraph (1)
 4 of section 315(d) of such Act (2 U.S.C. 441a(d)) is
 5 amended by striking “paragraphs (2), (3), and (4)”
 6 and inserting “paragraphs (2) and (3)”.

7 (c) EFFECTIVE DATE.—This section and the amend-
 8 ments made by this section shall apply with respect to pay-
 9 ments made on or after the expiration of the 30-day period
 10 which begins on the date of the enactment of this Act,
 11 without regard to whether or not the Federal Election
 12 Commission has promulgated regulations to carry out
 13 such amendments.

14 **TITLE II—PROMOTING EFFEC-**
 15 **TIVE DISCLOSURE OF CAM-**
 16 **PAIGN-RELATED ACTIVITY**
 17 **Subtitle A—Treatment of Inde-**
 18 **pendent Expenditures and Elec-**
 19 **tioneering Communications**
 20 **Made by All Persons**

21 **SEC. 201. INDEPENDENT EXPENDITURES.**

22 (a) REVISION OF DEFINITION.—Subparagraph (A) of
 23 section 301(17) of the Federal Election Campaign Act of
 24 1971 (2 U.S.C. 431(17)) is amended to read as follows:

1 “(A) that, when taken as a whole, ex-
 2 pressly advocates the election or defeat of a
 3 clearly identified candidate, or is the functional
 4 equivalent of express advocacy because it can be
 5 interpreted by a reasonable person only as ad-
 6 vocating the election or defeat of a candidate,
 7 taking into account whether the communication
 8 involved mentions a candidacy, a political party,
 9 or a challenger to a candidate, or takes a posi-
 10 tion on a candidate’s character, qualifications,
 11 or fitness for office; and”.

12 (b) UNIFORM 24-HOUR REPORTING FOR PERSONS
 13 MAKING INDEPENDENT EXPENDITURES EXCEEDING
 14 \$10,000 AT ANY TIME.—Section 304(g) of such Act (2
 15 U.S.C. 434(g)) is amended by striking paragraphs (1) and
 16 (2) and inserting the following:

17 “(1) INDEPENDENT EXPENDITURES EXCEED-
 18 ING THRESHOLD AMOUNT.—

19 “(A) INITIAL REPORT.—A person (includ-
 20 ing a political committee) that makes or con-
 21 tracts to make independent expenditures in an
 22 aggregate amount equal to or greater than the
 23 threshold amount described in paragraph (2)
 24 shall file a report describing the expenditures
 25 within 24 hours.

1 “(B) ADDITIONAL REPORTS.—After a per-
 2 son files a report under subparagraph (A), the
 3 person shall file an additional report within 24
 4 hours after each time the person makes or con-
 5 tracts to make independent expenditures in an
 6 aggregate amount equal to or greater than the
 7 threshold amount with respect to the same elec-
 8 tion as that to which the initial report relates.

9 “(2) THRESHOLD AMOUNT DESCRIBED.—In
 10 paragraph (1), the ‘threshold amount’ means—

11 “(A) during the period up to and including
 12 the 20th day before the date of an election,
 13 \$10,000; or

14 “(B) during the period after the 20th day,
 15 but more than 24 hours, before the date of an
 16 election, \$1,000.”.

17 (c) EFFECTIVE DATE.—

18 (1) IN GENERAL.—The amendment made by
 19 subsection (a) shall apply with respect to contribu-
 20 tions and expenditures made on or after the expira-
 21 tion of the 30-day period which begins on the date
 22 of the enactment of this Act, without regard to
 23 whether or not the Federal Election Commission has
 24 promulgated regulations to carry out such amend-
 25 ments.

1 (2) REPORTING REQUIREMENTS.—The amend-
 2 ment made by subsection (b) shall apply with re-
 3 spect to reports required to be filed after the date
 4 of the enactment of this Act.

5 **SEC. 202. ELECTIONEERING COMMUNICATIONS.**

6 (a) PERIOD DURING WHICH COMMUNICATIONS
 7 TREATED AS ELECTIONEERING COMMUNICATIONS.—

8 (1) EXPANSION OF PERIOD.—Section
 9 304(f)(3)(A)(i)(II) of the Federal Election Cam-
 10 paign Act of 1971 (2 U.S.C. 434(f)(3)(A)(i)(II)) is
 11 amended to read as follows:

12 “(II) is made during the period
 13 beginning with the date that is 90
 14 days before the earliest of the primary
 15 election, preference election, or nomi-
 16 nating convention with respect to the
 17 nomination for the office that the can-
 18 didate is seeking and ending with the
 19 date of the general election for such
 20 office.”.

21 (2) EFFECTIVE DATE; TRANSITION FOR COM-
 22 MUNICATIONS MADE PRIOR TO ENACTMENT.—The
 23 amendment made by paragraph (1) shall apply with
 24 respect to communications made on or after the date
 25 of the enactment of this Act, without regard to

1 whether or not the Federal Election Commission has
2 promulgated regulations to carry out such amend-
3 ments, except that no communication which is made
4 prior to the date of the enactment of this Act shall
5 be treated as an electioneering communication under
6 section 304(f)(3)(A)(i)(II) of the Federal Election
7 Campaign Act of 1971 (as amended by paragraph
8 (1)) unless the communication would be treated as
9 an electioneering communication under such section
10 if the amendment made by paragraph (1) did not
11 apply.

12 (b) REQUIRING REPORTS TO INCLUDE INFORMATION
13 ON INTENDED TARGET OF COMMUNICATIONS.—Section
14 304(f)(2)(D) of such Act (2 U.S.C. 434(f)(2)(D)) is
15 amended—

16 (1) by striking “and the names” and inserting
17 “; the names”; and

18 (2) by inserting “, and (if applicable) a state-
19 ment regarding whether the communications are in-
20 tended to support or oppose such candidates” before
21 the period at the end.

1 **Subtitle B—Expanded Require-**
 2 **ments for Corporations and**
 3 **Other Organizations**

4 **SEC. 211. ADDITIONAL INFORMATION REQUIRED TO BE IN-**
 5 **CLUDED IN REPORTS ON DISBURSEMENTS BY**
 6 **COVERED ORGANIZATIONS.**

7 (a) INDEPENDENT EXPENDITURE REPORTS.—Sec-
 8 tion 304(g) of the Federal Election Campaign Act of 1971
 9 (2 U.S.C. 434(g)) is amended by adding at the end the
 10 following new paragraph:

11 “(5) DISCLOSURE OF ADDITIONAL INFORMA-
 12 TION BY COVERED ORGANIZATIONS MAKING PAY-
 13 MENTS FOR PUBLIC INDEPENDENT EXPENDI-
 14 TURES.—

15 “(A) ADDITIONAL INFORMATION.—If a
 16 covered organization makes or contracts to
 17 make public independent expenditures in an ag-
 18 gregate amount equal to or exceeding \$10,000
 19 in a calendar year, the report filed by the orga-
 20 nization under this subsection shall include, in
 21 addition to the information required under
 22 paragraph (3), the following information:

23 “(i) If any person made a donation or
 24 payment to the covered organization dur-
 25 ing the covered organization reporting pe-

1 riod which was provided for the purpose of
2 being used for campaign-related activity or
3 in response to a solicitation for funds to be
4 used for campaign-related activity—

5 “(I) subject to subparagraph (C),
6 the identification of each person who
7 made such donations or payments in
8 an aggregate amount equal to or ex-
9 ceeding \$1,000 during such period,
10 presented in the order of the aggre-
11 gate amount of donations or payments
12 made by such persons during such pe-
13 riod (with the identification of the
14 person making the largest donation or
15 payment appearing first); and

16 “(II) if any person identified
17 under subclause (I) designated that
18 the donation or payment be used for
19 campaign-related activity with respect
20 to a specific election or in support of
21 a specific candidate, the name of the
22 election or candidate involved, and if
23 any such person designated that the
24 donation or payment be used for a

1 specific public independent expendi-
2 ture, a description of the expenditure.

3 “(ii) The identification of each person
4 who made unrestricted donor payments to
5 the organization during the covered organi-
6 zation reporting period—

7 “(I) in an aggregate amount
8 equal to or exceeding \$1,000 during
9 such period, if any of the disburse-
10 ments made by the organization for
11 any of the public independent expendi-
12 tures which are covered by the report
13 were not made from the organization’s
14 Campaign-Related Activity Account
15 under section 326; or

16 “(II) in an aggregate amount
17 equal to or exceeding \$10,000 during
18 such period, if the disbursements
19 made by the organization for all of
20 the public independent expenditures
21 which are covered by the report were
22 made exclusively from the organiza-
23 tion’s Campaign-Related Activity Ac-
24 count under section 326 (but only if
25 the organization has made deposits

1 described in subparagraph (D) of sec-
 2 tion 326(a)(2) into that Account dur-
 3 ing such period in an aggregate
 4 amount equal to or greater than
 5 \$10,000),
 6 presented in the order of the aggregate
 7 amount of payments made by such persons
 8 during such period (with the identification
 9 of the person making the largest payment
 10 appearing first).

11 “(B) TREATMENT OF TRANSFERS MADE
 12 TO OTHER PERSONS.—

13 “(i) IN GENERAL.—For purposes of
 14 the requirement to file reports under this
 15 subsection (including the requirement
 16 under subparagraph (A) to include addi-
 17 tional information in such reports), a cov-
 18 ered organization which transfers amounts
 19 to another person for the purpose of mak-
 20 ing a public independent expenditure by
 21 that person or by any other person, or (in
 22 accordance with clause (ii)) which is
 23 deemed to have transferred amounts to an-
 24 other person for the purpose of making a
 25 public independent expenditure by that

1 person or by any other person, shall be
2 considered to have made a public inde-
3 pendent expenditure.

4 “(ii) RULES FOR DEEMING TRANS-
5 FERS MADE FOR PURPOSE OF MAKING EX-
6 PENDITURES.—For purposes of clause (i),
7 in determining whether a covered organiza-
8 tion or any other person who transfers
9 amounts to another person shall be deemed
10 to have transferred the amounts for the
11 purpose of making a public independent
12 expenditure, the following rules apply:

13 “(I) The person shall be deemed
14 to have transferred the amounts for
15 the purpose of making a public inde-
16 pendent expenditure if—

17 “(aa) the person making the
18 public independent expenditure
19 or another person acting on that
20 person’s behalf solicited funding
21 from the person or from the per-
22 son to whom the amounts were
23 transferred for making any pub-
24 lic independent expenditures,

1 “(bb) the person and the
2 person to whom the amounts
3 were transferred engaged in sub-
4 stantial discussion (whether writ-
5 ten or verbal) regarding the mak-
6 ing of public independent expend-
7 itures,

8 “(cc) the person or the per-
9 son to whom the amounts were
10 transferred knew or should have
11 known of the covered organiza-
12 tion’s intent to make public inde-
13 pendent expenditures, or

14 “(dd) the person or the per-
15 son to whom the amounts were
16 transferred made a public inde-
17 pendent expenditure during the
18 election cycle involved or the pre-
19 vious election cycle (as defined in
20 section 301(25)).

21 “(II) The person shall not be
22 deemed to have transferred the
23 amounts for the purpose of making a
24 public independent expenditure if the
25 transfer was a commercial transaction

1 occurring in the ordinary course of
2 business between the person and the
3 person to whom the amounts were
4 transferred.

5 “(C) EXCLUSION OF AMOUNTS DES-
6 IGNATED FOR OTHER CAMPAIGN-RELATED AC-
7 TIVITY.—For purposes of subparagraph (A)(i),
8 in determining the amount of a donation or
9 payment made by a person which was provided
10 for the purpose of being used for campaign-re-
11 lated activity or in response to a solicitation for
12 funds to be used for campaign-related activity,
13 there shall be excluded any amount which was
14 designated by the person to be used—

15 “(i) for campaign-related activity de-
16 scribed in clause (i) of section
17 325(d)(2)(A) (relating to independent ex-
18 penditures) with respect to a different elec-
19 tion, or with respect to a candidate in a
20 different election, than an election which is
21 the subject of any of the public inde-
22 pendent expenditures covered by the report
23 involved; or

24 “(ii) for any campaign-related activity
25 described in clause (ii) of section

1 325(d)(2)(A) (relating to electioneering
2 communications).

3 “(D) EXCLUSION OF AMOUNTS PAID FROM
4 SEPARATE SEGREGATED FUND.—In deter-
5 mining the amount of public independent ex-
6 penditures made by a covered organization for
7 purposes of this paragraph, there shall be ex-
8 cluded any amounts paid from a separate seg-
9 regated fund established and administered by
10 the organization under section 316(b)(2)(C).

11 “(E) COVERED ORGANIZATION REPORTING
12 PERIOD DESCRIBED.—In this paragraph, the
13 ‘covered organization reporting period’ is, with
14 respect to a report filed by a covered organiza-
15 tion under this subsection—

16 “(i) in the case of the first report filed
17 by a covered organization under this sub-
18 section which includes information required
19 under this paragraph, the shorter of—

20 “(I) the period which begins on
21 the effective date of the Democracy Is
22 Strengthened by Casting Light On
23 Spending in Elections Act and ends
24 on the last day covered by the report,
25 or

1 “(II) the 12-month period ending
 2 on the last day covered by the report;
 3 and

4 “(ii) in the case of any subsequent re-
 5 port filed by a covered organization under
 6 this subsection which includes information
 7 required under this paragraph, the period
 8 occurring since the most recent report filed
 9 by the organization which includes such in-
 10 formation.

11 “(F) DEFINITIONS.—In this paragraph—

12 “(i) the terms ‘covered organization’,
 13 ‘campaign-related activity’, and ‘unre-
 14 stricted donor payment’ have the meaning
 15 given such terms in section 325; and

16 “(ii) the term ‘public independent ex-
 17 penditure’ means an independent expendi-
 18 ture for a public communication (as de-
 19 fined in section 301(22)).”.

20 (b) ELECTIONEERING COMMUNICATION REPORTS.—

21 Section 304(f) of such Act (2 U.S.C. 434(f)) is amended—

22 (1) by redesignating paragraphs (6) and (7) as
 23 paragraphs (7) and (8); and

24 (2) by inserting after paragraph (5) the end the
 25 following new paragraph:

1 “(6) DISCLOSURE OF ADDITIONAL INFORMA-
2 TION BY COVERED ORGANIZATIONS.—

3 “(A) ADDITIONAL INFORMATION.—If a
4 covered organization files a statement under
5 this subsection, the statement shall include, in
6 addition to the information required under
7 paragraph (2), the following information:

8 “(i) If any person made a donation or
9 payment to the covered organization dur-
10 ing the covered organization reporting pe-
11 riod which was provided for the purpose of
12 being used for campaign-related activity or
13 in response to a solicitation for funds to be
14 used for campaign-related activity—

15 “(I) subject to subparagraph (C),
16 the identification of each person who
17 made such donations or payments in
18 an aggregate amount equal to or ex-
19 ceeding \$1,000 during such period,
20 presented in the order of the aggre-
21 gate amount of donations or payments
22 made by such persons during such pe-
23 riod (with the identification of the
24 person making the largest donation or
25 payment appearing first); and

1 “(II) if any person identified
2 under subclause (I) designated that
3 the donation or payment be used for
4 campaign-related activity with respect
5 to a specific election or in support of
6 a specific candidate, the name of the
7 election or candidate involved, and if
8 any such person designated that the
9 donation or payment be used for a
10 specific electioneering communication,
11 a description of the communication.

12 “(ii) The identification of each person
13 who made unrestricted donor payments to
14 the organization during the covered organi-
15 zation reporting period—

16 “(I) in an aggregate amount
17 equal to or exceeding \$1,000 during
18 such period, if any of the disburse-
19 ments made by the organization for
20 any of the electioneering communica-
21 tions which are covered by the state-
22 ment were not made from the organi-
23 zation’s Campaign-Related Activity
24 Account under section 326; or

1 “(II) in an aggregate amount
2 equal to or exceeding \$10,000 during
3 such period, if the disbursements
4 made by the organization for all of
5 the electioneering communications
6 which are covered by the statement
7 were made exclusively from the orga-
8 nization’s Campaign-Related Activity
9 Account under section 326 (but only
10 if the organization has made deposits
11 described in subparagraph (D) of sec-
12 tion 326(a)(2) into that Account dur-
13 ing such period in an aggregate
14 amount equal to or greater than
15 \$10,000),

16 presented in the order of the aggregate
17 amount of payments made by such persons
18 during such period (with the identification
19 of the person making the largest payment
20 appearing first).

21 “(B) TREATMENT OF TRANSFERS MADE
22 TO OTHER PERSONS.—

23 “(i) IN GENERAL.—For purposes of
24 the requirement to file statements under
25 this subsection (including the requirement

1 under subparagraph (A) to include addi-
2 tional information in such statements), a
3 covered organization which transfers
4 amounts to another person for the purpose
5 of making an electioneering communication
6 by that person or by any other person, or
7 (in accordance with clause (ii)) which is
8 deemed to have transferred amounts to an-
9 other person for the purpose of making an
10 electioneering communication by that per-
11 son or by any other person, shall be con-
12 sidered to have made a disbursement for
13 an electioneering communication.

14 “(ii) RULES FOR DEEMING TRANS-
15 FERS MADE FOR PURPOSE OF MAKING
16 COMMUNICATIONS.—For purposes of
17 clause (i), in determining whether a cov-
18 ered organization or any other person who
19 transfers amounts to another person shall
20 be deemed to have transferred the amounts
21 for the purpose of making an election-
22 eering communication, the following rules
23 apply:

24 “(I) The person shall be deemed
25 to have transferred the amounts for

1 the purpose of making an election-
2 eering communication if—

3 “(aa) the person making the
4 public independent expenditure
5 or another person acting on that
6 person’s behalf solicited funding
7 from the person or from the per-
8 son to whom the amounts were
9 transferred for making any elec-
10 tioneering communications,

11 “(bb) the person and the
12 person to whom the amounts
13 were transferred engaged in sub-
14 stantial discussion (whether writ-
15 ten or verbal) regarding the mak-
16 ing of electioneering communica-
17 tions,

18 “(cc) the person or the per-
19 son to whom the amounts were
20 transferred knew or should have
21 known of the covered organiza-
22 tion’s intent to make election-
23 eering communications, or

24 “(dd) the person or the per-
25 son to whom the amounts were

1 transferred made an election-
2 eering communication during the
3 election cycle involved or the pre-
4 vious election cycle (as defined in
5 section 301(25)).

6 “(II) The person shall not be
7 considered to have transferred the
8 amounts for the purpose of making an
9 electioneering communication if the
10 transfer was a commercial transaction
11 occurring in the ordinary course of
12 business between the person and the
13 person to whom the amounts were
14 transferred.

15 “(C) EXCLUSION OF AMOUNTS DES-
16 IGNATED FOR OTHER CAMPAIGN-RELATED AC-
17 TIVITY.—For purposes of subparagraph (A)(i),
18 in determining the amount of a donation or
19 payment made by a person which was provided
20 for the purpose of being used for campaign-re-
21 lated activity or in response to a solicitation for
22 funds to be used for campaign-related activity,
23 there shall be excluded any amount which was
24 designated by the person to be used—

1 “(i) for campaign-related activity de-
 2 scribed in clause (ii) of section
 3 325(d)(2)(A) (relating to electioneering
 4 communications) with respect to a dif-
 5 ferent election, or with respect to a can-
 6 didate in a different election, than an elec-
 7 tion which is the subject of any of the elec-
 8 tioneering communications covered by the
 9 statement involved; or

10 “(ii) for any campaign-related activity
 11 described in clause (i) of section
 12 325(d)(2)(A) (relating to independent ex-
 13 penditures consisting of a public commu-
 14 nication).

15 “(D) COVERED ORGANIZATION REPORTING
 16 PERIOD DESCRIBED.—In this paragraph, the
 17 ‘covered organization reporting period’ is, with
 18 respect to a statement filed by a covered orga-
 19 nization under this subsection—

20 “(i) in the case of the first statement
 21 filed by a covered organization under this
 22 subsection which includes information re-
 23 quired under this paragraph, the shorter
 24 of—

1 “(I) the period which begins on
2 the effective date of the Democracy Is
3 Strengthened by Casting Light On
4 Spending in Elections Act and ends
5 on the disclosure date for the state-
6 ment, or

7 “(II) the 12-month period ending
8 on the disclosure date for the state-
9 ment; and

10 “(ii) in the case of any subsequent
11 statement filed by a covered organization
12 under this subsection which includes infor-
13 mation required under this paragraph, the
14 period occurring since the most recent
15 statement filed by the organization which
16 includes such information.

17 “(E) DEFINITIONS.—In this paragraph,
18 the terms ‘covered organization’, ‘campaign-re-
19 lated activity’, and ‘unrestricted donor payment’
20 have the meaning given such terms in section
21 325.”.

1 **SEC. 212. RULES REGARDING USE OF GENERAL TREASURY**
2 **FUNDS BY COVERED ORGANIZATIONS FOR**
3 **CAMPAIGN-RELATED ACTIVITY.**

4 Title III of the Federal Election Campaign Act of
5 1971 (2 U.S.C. 431 et seq.) is amended by adding at the
6 end the following new section:

7 **“SEC. 325. SPECIAL RULES FOR USE OF GENERAL TREAS-**
8 **URY FUNDS BY COVERED ORGANIZATIONS**
9 **FOR CAMPAIGN-RELATED ACTIVITY.**

10 “(a) USE OF FUNDS FOR CAMPAIGN-RELATED AC-
11 TIVITY.—

12 “(1) IN GENERAL.—Subject to any applicable
13 restrictions and prohibitions under this Act, a cov-
14 ered organization may make disbursements for cam-
15 paign-related activity using—

16 “(A) amounts paid or donated to the orga-
17 nization which are designated by the person
18 providing the amounts to be used for campaign-
19 related activity;

20 “(B) unrestricted donor payments made to
21 the organization; and

22 “(C) other funds of the organization, in-
23 cluding amounts received pursuant to commer-
24 cial activities in the regular course of a covered
25 organization’s business.

1 “(2) NO EFFECT ON USE OF SEPARATE SEG-
 2 REGATED FUND.—Nothing in this section shall be
 3 construed to affect the authority of a covered organi-
 4 zation to make disbursements from a separate seg-
 5 regated fund established and administered by the or-
 6 ganization under section 316(b)(2)(C).

7 “(b) RESTRICTIONS ON USE OF FUNDS FOR CAM-
 8 PAIGN-RELATED ACTIVITY.—

9 “(1) CERTIFICATION AFTER RECEIVING NOTIFI-
 10 CATION BY DONOR TO NOT USE FUNDS FOR ACTIV-
 11 ITY.—If any person who makes a donation, pay-
 12 ment, or transfer to a covered organization (other
 13 than the covered organization) notifies the organiza-
 14 tion in writing (at the time of making the donation,
 15 payment, or transfer) that the organization may not
 16 use the donation, payment, or transfer for cam-
 17 paign-related activity, not later than 7 days after the
 18 organization receives the donation, payment, or
 19 transfer the organization shall transmit to the per-
 20 son a written certification by the chief financial offi-
 21 cer of the covered organization (or, if the organiza-
 22 tion does not have a chief financial officer, the high-
 23 est ranking financial official of the organization),
 24 under penalty of perjury, that—

1 “(A) the organization will not use the do-
 2 nation, payment, or transfer for campaign-re-
 3 lated activity; and

4 “(B) the organization will not include any
 5 information on the person in any report filed by
 6 the organization under section 304 with respect
 7 to independent expenditures or electioneering
 8 communications, so that the person will not be
 9 required to appear in a significant funder state-
 10 ment or a Top 5 Funders list under section
 11 318(e).

12 “(2) EXCEPTION FOR PAYMENTS MADE PURSU-
 13 ANT TO COMMERCIAL ACTIVITIES.—Paragraph (1)
 14 does not apply with respect to any payment or trans-
 15 fer made pursuant to commercial activities in the
 16 regular course of a covered organization’s business.

17 “(c) CERTIFICATIONS REGARDING DISBURSEMENTS
 18 FOR CAMPAIGN-RELATED ACTIVITY.—

19 “(1) CERTIFICATION BY CHIEF EXECUTIVE OF-
 20 FICER.—If, at any time during a calendar quarter,
 21 a covered organization makes a disbursement of
 22 funds for campaign-related activity using funds de-
 23 scribed in subsection (a)(1), the chief executive offi-
 24 cer of the covered organization (or, if the organiza-
 25 tion does not have a chief executive officer, the high-

1 est ranking official of the organization), under pen-
2 alty of perjury, shall file a statement with the Com-
3 mission which contains the following certifications:

4 “(A) None of the campaign-related activity
5 for which the organization disbursed the funds
6 during the quarter was made in cooperation,
7 consultation, or concert with, or at the request
8 or suggestion of, any candidate or any author-
9 ized committee or agent of such candidate, or
10 political committee of a political party or agent
11 of any political party.

12 “(B) The chief executive officer or highest
13 ranking official of the covered organization (as
14 the case may be) has reviewed and approved
15 each statement and report filed by the organi-
16 zation under section 304 with respect to any
17 such disbursement made during the quarter.

18 “(C) Each statement and report filed by
19 the organization under section 304 with respect
20 to any such disbursement made during the
21 quarter is complete and accurate and does not
22 contain an untrue statement of a material fact.

23 “(D) All such disbursements made during
24 the quarter are in compliance with this Act and
25 all other applicable Federal laws.

1 “(E) No portion of the amounts used to
 2 make any such disbursements during the quar-
 3 ter is attributable to funds received by the orga-
 4 nization that were restricted by the person who
 5 provided the funds from being used for cam-
 6 paign-related activity pursuant to subsection
 7 (b).

8 “(2) APPLICATION OF ELECTRONIC FILING
 9 RULES.—Section 304(d)(1) shall apply with respect
 10 to a statement required under this subsection in the
 11 same manner as such section applies with respect to
 12 a statement under subsection (c) or (g) of section
 13 304.

14 “(3) DEADLINE.—The chief executive officer or
 15 highest ranking official of a covered organization (as
 16 the case may be) shall file the statement required
 17 under this subsection with respect to a calendar
 18 quarter not later than 15 days after the end of the
 19 quarter.

20 “(d) DEFINITIONS.—For purposes of this section, the
 21 following definitions apply:

22 “(1) COVERED ORGANIZATION.—The term ‘cov-
 23 ered organization’ means any of the following:

24 “(A) Any corporation which is subject to
 25 section 316(a).

1 “(B) Any labor organization (as defined in
2 section 316).

3 “(C) Any organization described in para-
4 graph (4), (5), or (6) of section 501(c) of the
5 Internal Revenue Code of 1986 and exempt
6 from tax under section 501(a) of such Code.

7 “(D) Any political organization under sec-
8 tion 527 of the Internal Revenue Code of 1986,
9 other than a political committee under this Act.

10 “(2) CAMPAIGN-RELATED ACTIVITY.—

11 “(A) IN GENERAL.—The term ‘campaign-
12 related activity’ means—

13 “(i) an independent expenditure con-
14 sisting of a public communication (as de-
15 fined in section 301(22)), a transfer of
16 funds to another person for the purpose of
17 making such an independent expenditure
18 by that person or by any other person, or
19 (in accordance with subparagraph (B)) a
20 transfer of funds to another person which
21 is deemed to have been made for the pur-
22 pose of making such an independent ex-
23 penditure by that person or by any other
24 person; or

1 “(ii) an electioneering communication,
 2 a transfer of funds to another person for
 3 the purpose of making an electioneering
 4 communication by that person or by any
 5 other person, or (in accordance with sub-
 6 paragraph (B)) a transfer of funds to an-
 7 other person which is deemed to have been
 8 made for the purpose of making an elec-
 9 tioneering communication by that person
 10 or by any other person.

11 “(B) RULE FOR DEEMING TRANSFERS
 12 MADE FOR PURPOSE OF CAMPAIGN-RELATED
 13 ACTIVITY.—For purposes of subparagraph (A),
 14 in determining whether a transfer of funds by
 15 one person to another person shall be deemed
 16 to have been made for the purpose of making
 17 an independent expenditure consisting of a pub-
 18 lic communication or an electioneering commu-
 19 nication, the following rules apply:

20 “(i) The transfer shall be deemed to
 21 have been made for the purpose of making
 22 such an independent expenditure or an
 23 electioneering communication if—

24 “(I) the person making the inde-
 25 pendent expenditure or electioneering

1 communication or another person act-
2 ing on that person's behalf solicited
3 funding from the person or from the
4 person to whom the amounts were
5 transferred for the purpose of making
6 any such independent expenditures or
7 electioneering communications,

8 “(II) the person and the person
9 to whom the amounts were trans-
10 ferred engaged in substantial discus-
11 sion (whether written or verbal) re-
12 garding the making of such inde-
13 pendent expenditures or electioneering
14 communications,

15 “(III) the person or the person to
16 whom the amounts were transferred
17 knew or should have known of the
18 covered organization's intent to dis-
19 burse funds for campaign-related ac-
20 tivity, or

21 “(IV) the person or the person to
22 whom the amounts were transferred
23 made such an independent expendi-
24 ture or electioneering communication
25 during the election cycle involved or

1 the previous election cycle (as defined
2 in section 301(25)).

3 “(ii) The transfer shall not be deemed
4 to have been made for the purpose of mak-
5 ing such an independent expenditure or an
6 electioneering communication if the trans-
7 fer was a commercial transaction occurring
8 in the ordinary course of business between
9 the person and the person to whom the
10 amounts were transferred.

11 “(3) UNRESTRICTED DONOR PAYMENT.—The
12 term ‘unrestricted donor payment’ means a payment
13 to a covered organization which consists of a dona-
14 tion or payment from a person other than the cov-
15 ered organization, except that such term does not in-
16 clude—

17 “(A) any payment made pursuant to com-
18 mercial activities in the regular course of a cov-
19 ered organization’s business;

20 “(B) any donation or payment which is
21 designated by the person making the donation
22 or payment to be used for campaign-related ac-
23 tivity or made in response to a solicitation for
24 funds to be used for campaign-related activity;
25 or

1 “(C) any donation or payment made by a
 2 person who notifies the organization in writing
 3 (at the time of making the payment) that the
 4 organization may not use the donation or pay-
 5 ment for campaign-related activity.”.

6 **SEC. 213. OPTIONAL USE OF SEPARATE ACCOUNT BY COV-**
 7 **ERED ORGANIZATIONS FOR CAMPAIGN-RE-**
 8 **LATED ACTIVITY.**

9 Title III of the Federal Election Campaign Act of
 10 1971 (2 U.S.C. 431 et seq.), as amended by section 212,
 11 is further amended by adding at the end the following new
 12 section:

13 **“SEC. 326. OPTIONAL USE OF SEPARATE ACCOUNT BY COV-**
 14 **ERED ORGANIZATIONS FOR CAMPAIGN-RE-**
 15 **LATED ACTIVITY.**

16 “(a) OPTIONAL USE OF SEPARATE ACCOUNT.—

17 “(1) ESTABLISHMENT OF ACCOUNT.—

18 “(A) IN GENERAL.—At its option, a cov-
 19 ered organization described in section 325 may
 20 make disbursements for campaign-related activ-
 21 ity using amounts from a bank account estab-
 22 lished and controlled by the organization to be
 23 known as the Campaign-Related Activity Ac-
 24 count (hereafter in this section referred to as
 25 the ‘Account’), which shall be maintained sepa-

1 rately from all other accounts of the organiza-
 2 tion and which shall consist exclusively of the
 3 deposits described in paragraph (2).

4 “(B) MANDATORY USE OF ACCOUNT
 5 AFTER ESTABLISHMENT.—If a covered organi-
 6 zation establishes an Account under this sec-
 7 tion, it may not make disbursements for cam-
 8 paign-related activity from any source other
 9 than amounts from the Account.

10 “(C) EXCLUSIVE USE OF ACCOUNT FOR
 11 CAMPAIGN-RELATED ACTIVITY.—Amounts in
 12 the Account shall be used exclusively for dis-
 13 bursements by the covered organization for
 14 campaign-related activity. After such disburse-
 15 ments are made, information with respect to de-
 16 posits made to the Account shall be disclosed in
 17 accordance with section 304(g)(5) or section
 18 304(f)(6).

19 “(2) DEPOSITS DESCRIBED.—The deposits de-
 20 scribed in this paragraph are deposits of the fol-
 21 lowing amounts:

22 “(A) Amounts donated or paid to the cov-
 23 ered organization by a person other than the
 24 organization for the purpose of being used for
 25 campaign-related activity, and for which the

1 person providing the amounts has designated
2 that the amounts be used for campaign-related
3 activity with respect to a specific election or
4 specific candidate.

5 “(B) Amounts donated or paid to the cov-
6 ered organization by a person other than the
7 organization for the purpose of being used for
8 campaign-related activity, and for which the
9 person providing the amounts has not des-
10 ignated that the amounts be used for campaign-
11 related activity with respect to a specific elec-
12 tion or specific candidate.

13 “(C) Amounts donated or paid to the cov-
14 ered organization by a person other than the
15 organization in response to a solicitation for
16 funds to be used for campaign-related activity.

17 “(D) Amounts transferred to the Account
18 by the covered organization from other accounts
19 of the organization, including from the organi-
20 zation’s general treasury funds.

21 “(3) NO TREATMENT AS POLITICAL COM-
22 MITTEE.—The establishment and administration of
23 an Account in accordance with this subsection shall
24 not by itself be treated as the establishment or ad-

1 ministration of a political committee for any purpose
2 of this Act.

3 “(b) REDUCTION IN AMOUNTS OTHERWISE AVAIL-
4 ABLE FOR ACCOUNT IN RESPONSE TO DEMAND OF GEN-
5 ERAL DONORS.—

6 “(1) IN GENERAL.—If a covered organization
7 which has established an Account obtains any reve-
8 nues during a year which are attributable to a dona-
9 tion or payment from a person other than the cov-
10 ered organization, and if any person who makes
11 such a donation or payment to the organization noti-
12 fies the organization in writing (at the time of mak-
13 ing the donation or payment) that the organization
14 may not use the donation or payment for campaign-
15 related activity, the organization shall reduce the
16 amount of its revenues available for deposits to the
17 Account which are described in subsection (a)(3)(D)
18 during the year by the amount of the donation or
19 payment.

20 “(2) EXCEPTION.—Paragraph (1) does not
21 apply with respect to any payment made pursuant to
22 commercial activities in the regular course of a cov-
23 ered organization’s business.

1 “(c) DEFINITIONS.—In this section, the terms ‘cam-
 2 paign-related activity’ and ‘covered organization’ have the
 3 meaning given such terms in section 325.”.

4 **SEC. 214. MODIFICATION OF RULES RELATING TO DIS-**
 5 **CLAIMER STATEMENTS REQUIRED FOR CER-**
 6 **TAIN COMMUNICATIONS.**

7 (a) APPLYING REQUIREMENTS TO ALL INDE-
 8 PENDENT EXPENDITURE COMMUNICATIONS.—Section
 9 318(a) of the Federal Election Campaign Act of 1971 (2
 10 U.S.C. 441d(a)) is amended by striking “for the purpose
 11 of financing communications expressly advocating the
 12 election or defeat of a clearly identified candidate” and
 13 inserting “for an independent expenditure consisting of a
 14 public communication”.

15 (b) STAND BY YOUR AD REQUIREMENTS.—

16 (1) MAINTENANCE OF EXISTING REQUIRE-
 17 MENTS FOR COMMUNICATIONS BY POLITICAL PAR-
 18 TIES AND OTHER POLITICAL COMMITTEES.—Section
 19 318(d)(2) of such Act (2 U.S.C. 441d(d)(2)) is
 20 amended—

21 (A) in the heading, by striking “OTHERS”
 22 and inserting “POLITICAL COMMITTEES”;

23 (B) by striking “subsection (a)” and in-
 24 serting “subsection (a) which is paid for by a

1 political committee (including a political com-
 2 mittee of a political party)”; and

3 (C) by striking “or other person” each
 4 place it appears.

5 (2) SPECIAL DISCLAIMER REQUIREMENTS FOR
 6 CERTAIN COMMUNICATIONS.—Section 318 of such
 7 Act (2 U.S.C. 441d) is amended by adding at the
 8 end the following new subsection:

9 “(e) COMMUNICATIONS BY OTHERS.—

10 “(1) IN GENERAL.—Any communication de-
 11 scribed in paragraph (3) of subsection (a) which is
 12 transmitted through radio or television (other than
 13 a communication to which subsection (d)(2) applies
 14 because the communication is paid for by a political
 15 committee, including a political committee of a polit-
 16 ical party) shall include, in addition to the require-
 17 ments of that paragraph, the following:

18 “(A) The individual disclosure statement
 19 described in paragraph (2) (if the person pay-
 20 ing for the communication is an individual) or
 21 the organizational disclosure statement de-
 22 scribed in paragraph (3) (if the person paying
 23 for the communication is not an individual).

24 “(B) If the communication is an election-
 25 eering communication or an independent ex-

penditure consisting of a public communication and is paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity under section 325, the significant funder disclosure statement described in paragraph (4) (if applicable).

“(C) If the communication is transmitted through television and is an electioneering communication or an independent expenditure consisting of a public communication and is paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity under section 325, the Top Five Funders list described in paragraph (5) (if applicable), unless, on the basis of criteria established in regulations promulgated by the Commission, the communication is of such short duration that including the Top Five Funders list in the communication would constitute a hardship to the person paying for the communication by requiring a disproportionate amount of the communication’s content to consist of the Top Five Funders list.

1 “(2) INDIVIDUAL DISCLOSURE STATEMENT DE-
 2 SCRIBED.—The individual disclosure statement de-
 3 scribed in this paragraph is the following: ‘I am
 4 _____, and I approve this message.’, with
 5 the blank filled in with the name of the applicable
 6 individual.

7 “(3) ORGANIZATIONAL DISCLOSURE STATE-
 8 MENT DESCRIBED.—The organizational disclosure
 9 statement described in this paragraph is the fol-
 10 lowing: ‘I am _____, the _____
 11 of _____, and _____ approves
 12 this message.’, with—

13 “(A) the first blank to be filled in with the
 14 name of the applicable individual;

15 “(B) the second blank to be filled in with
 16 the title of the applicable individual; and

17 “(C) the third and fourth blank each to be
 18 filled in with the name of the organization or
 19 other person paying for the communication.

20 “(4) SIGNIFICANT FUNDER DISCLOSURE STATE-
 21 MENT DESCRIBED.—

22 “(A) STATEMENT IF SIGNIFICANT FUNDER
 23 IS AN INDIVIDUAL.—If the significant funder of
 24 a communication paid for in whole or in part
 25 with a payment which is treated as a disburse-

ment by a covered organization for campaign-related activity under section 325 is an individual, the significant funder disclosure statement described in this paragraph is the following: ‘I am _____. I helped to pay for this message, and I approve it.’, with the blank filled in with the name of the applicable individual.

“(B) STATEMENT IF SIGNIFICANT FUNDER IS NOT AN INDIVIDUAL.—If the significant funder of a communication paid for in whole or in part with a payment which is treated as a disbursement by a covered organization for campaign-related activity under section 325 is not an individual, the significant funder disclosure statement described in this paragraph is the following: ‘I am _____, the _____ of _____. _____ helped to pay for this message, and _____ approves it.’, with—

“(i) the first blank to be filled in with the name of the applicable individual;

“(ii) the second blank to be filled in with the title of the applicable individual; and

1 “(iii) the third, fourth, and fifth blank
2 each to be filled in with the name of the
3 significant funder of the communication.

4 “(C) SIGNIFICANT FUNDER DEFINED.—

5 “(i) INDEPENDENT EXPENDITURES.—
6 For purposes of this paragraph, the ‘sig-
7 nificant funder’ with respect to an inde-
8 pendent expenditure consisting of a public
9 communication paid for in whole or in part
10 with a payment which is treated as a dis-
11 bursement by a covered organization for
12 campaign-related activity under section
13 325 shall be determined as follows:

14 “(I) If any report filed by any or-
15 ganization with respect to the inde-
16 pendent expenditure under section
17 304 includes information on any per-
18 son who made a payment to the orga-
19 nization in an amount equal to or ex-
20 ceeding \$100,000 which was des-
21 ignated by the person to be used for
22 campaign-related activity consisting of
23 that specific independent expenditure
24 (as required to be included in the re-
25 port under section 304(g)(5)(A)(i)),

1 the person who is identified among all
2 such reports as making the largest
3 such payment.

4 “(II) If any report filed by any
5 organization with respect to the inde-
6 pendent expenditure under section
7 304 includes information on any per-
8 son who made a payment to the orga-
9 nization in an amount equal to or ex-
10 ceeding \$100,000 which was des-
11 ignated by the person to be used for
12 campaign-related activity with respect
13 to the same election or in support of
14 the same candidate (as required to be
15 included in the report under section
16 304(g)(5)(A)(i)) but subclause (I)
17 does not apply, the person who is
18 identified among all such reports as
19 making the largest such payment.

20 “(III) If any report filed by any
21 organization with respect to the inde-
22 pendent expenditure under section
23 304 includes information on any per-
24 son who made a payment to the orga-
25 nization which was provided for the

1 purpose of being used for campaign-
2 related activity or in response to a so-
3 licitation for funds to be used for
4 campaign-related activity (as required
5 to be included in the report under sec-
6 tion 304(g)(5)(A)(i)) but subclause (I)
7 or subclause (II) does not apply, the
8 person who is identified among all
9 such reports as making the largest
10 such payment.

11 “(IV) If none of the reports filed
12 by any organization with respect to
13 the independent expenditure under
14 section 304 includes information on
15 any person (other than the organiza-
16 tion) who made a payment to the or-
17 ganization which was provided for the
18 purpose of being used for campaign-
19 related activity or in response to a so-
20 licitation for funds to be used for
21 campaign-related activity, but any of
22 such reports includes information on
23 any person who made an unrestricted
24 donor payment to the organization (as
25 required to be included in the report

1 under section 304(g)(5)(A)(ii)), the
2 person who is identified among all
3 such reports as making the largest
4 such unrestricted donor payment.

5 “(ii) ELECTIONEERING COMMUNICA-
6 TIONS.—For purposes of this paragraph,
7 the ‘significant funder’ with respect to an
8 electioneering communication paid for in
9 whole or in part with a payment which is
10 treated as a disbursement by a covered or-
11 ganization for campaign-related activity
12 under section 325, shall be determined as
13 follows:

14 “(I) If any report filed by any or-
15 ganization with respect to the elec-
16 tioneering communication under sec-
17 tion 304 includes information on any
18 person who made a payment to the
19 organization in an amount equal to or
20 exceeding \$100,000 which was des-
21 ignated by the person to be used for
22 campaign-related activity consisting of
23 that specific electioneering commu-
24 nication (as required to be included in
25 the report under section

1 304(f)(6)(A)(i)), the person who is
2 identified among all such reports as
3 making the largest such payment.

4 “(II) If any report filed by any
5 organization with respect to the elec-
6 tioneering communication under sec-
7 tion 304 includes information on any
8 person who made a payment to the
9 organization in an amount equal to or
10 exceeding \$100,000 which was des-
11 ignated by the person to be used for
12 campaign-related activity with respect
13 to the same election or in support of
14 the same candidate (as required to be
15 included in the report under section
16 304(f)(6)(A)(i)) but subclause (I)
17 does not apply, the person who is
18 identified among all such reports as
19 making the largest such payment.

20 “(III) If any report filed by any
21 organization with respect to the elec-
22 tioneering communication under sec-
23 tion 304 includes information on any
24 person who made a payment to the
25 organization which was provided for

1 the purpose of being used for cam-
2 paign-related activity or in response to
3 a solicitation for funds to be used for
4 campaign-related activity (as required
5 to be included in the report under sec-
6 tion 304(f)(6)(A)(i)) but subclause (I)
7 or subclause (II) does not apply, the
8 person who is identified among all
9 such reports as making the largest
10 such payment.

11 “(IV) If none of the reports filed
12 by any organization with respect to
13 the electioneering communication
14 under section 304 includes informa-
15 tion on any person who made a pay-
16 ment to the organization which was
17 provided for the purpose of being used
18 for campaign-related activity or in re-
19 sponse to a solicitation for funds to be
20 used for campaign-related activity, but
21 any of such reports includes informa-
22 tion on any person who made an unre-
23 stricted donor payment to the organi-
24 zation (as required to be included in
25 the report under section

1 304(f)(6)(A)(ii)), the person who is
2 identified among all such reports as
3 making the largest such unrestricted
4 donor payment.

5 “(5) TOP 5 FUNDERS LIST DESCRIBED.—With
6 respect to a communication paid for in whole or in
7 part with a payment which is treated as a disburse-
8 ment by a covered organization for campaign-related
9 activity under section 325, the Top 5 Funders list
10 described in this paragraph is—

11 “(A) in the case of a disbursement for an
12 independent expenditure consisting of a public
13 communication, a list of the 5 persons who pro-
14 vided the largest payments of any type which
15 are required under section 304(g)(5)(A) to be
16 included in the reports filed by any organization
17 with respect to that independent expenditure
18 under section 304, together with the amount of
19 the payments each such person provided; or

20 “(B) in the case of a disbursement for an
21 electioneering communication, a list of the 5
22 persons who provided the largest payments of
23 any type which are required under section
24 304(f)(6)(A) to be included in the reports filed
25 by any organization with respect to that elec-

1 tioneering communication under section 304,
 2 together with the amount of the payments each
 3 such person provided.

4 “(6) METHOD OF CONVEYANCE OF STATE-
 5 MENT.—

6 “(A) COMMUNICATIONS TRANSMITTED
 7 THROUGH RADIO.—In the case of a communica-
 8 tion to which this subsection applies which is
 9 transmitted through radio, the disclosure state-
 10 ments required under paragraph (1) shall be
 11 made by audio by the applicable individual in a
 12 clearly spoken manner.

13 “(B) COMMUNICATIONS TRANSMITTED
 14 THROUGH TELEVISION.—In the case of a com-
 15 munication to which this subsection applies
 16 which is transmitted through television, the in-
 17 formation required under paragraph (1)—

18 “(i) shall appear in writing at the end
 19 of the communication in a clearly readable
 20 manner, with a reasonable degree of color
 21 contrast between the background and the
 22 printed statement, for a period of at least
 23 6 seconds; and

24 “(ii) except in the case of a Top 5
 25 Funders list described in paragraph (5),

1 shall also be conveyed by an unobscured,
2 full-screen view of the applicable indi-
3 vidual, or by the applicable individual mak-
4 ing the statement in voice-over accom-
5 panied by a clearly identifiable photograph
6 or similar image of the individual.

7 “(7) APPLICABLE INDIVIDUAL DEFINED.—In
8 this subsection, the term ‘applicable individual’
9 means, with respect to a communication to which
10 this paragraph applies—

11 “(A) if the communication is paid for by
12 an individual or if the significant funder of the
13 communication under paragraph (4) is an indi-
14 vidual, the individual involved;

15 “(B) if the communication is paid for by a
16 corporation or if the significant funder of the
17 communication under paragraph (4) is a cor-
18 poration, the chief executive officer of the cor-
19 poration (or, if the corporation does not have a
20 chief executive officer, the highest ranking offi-
21 cial of the corporation);

22 “(C) if the communication is paid for by a
23 labor organization or if the significant funder of
24 the communication under paragraph (4) is a

1 labor organization, the highest ranking officer
 2 of the labor organization; or

3 “(D) if the communication is paid for by
 4 any other person or if the significant funder of
 5 the communication under paragraph (4) is any
 6 other person, the highest ranking official of
 7 such person.

8 “(8) OTHER DEFINITIONS.—In this subsection,
 9 the terms ‘campaign-related activity’, ‘covered orga-
 10 nization’, and ‘unrestricted donor payment’ have the
 11 meaning given such terms in section 325.”.

12 **Subtitle C—Reporting Require-** 13 **ments for Registered Lobbyists**

14 **SEC. 221. REQUIRING REGISTERED LOBBYISTS TO REPORT** 15 **INFORMATION ON INDEPENDENT EXPENDI-** 16 **TURES AND ELECTIONEERING COMMUNICA-** 17 **TIONS.**

18 (a) IN GENERAL.—Section 5(d)(1) of the Lobbying
 19 Disclosure Act of 1995 (2 U.S.C. 1604(d)(1)) is amend-
 20 ed—

21 (1) by striking “and” at the end of subpara-
 22 graph (F);

23 (2) by redesignating subparagraph (G) as sub-
 24 paragraph (I); and

1 (3) by inserting after subparagraph (F) the fol-
2 lowing new subparagraphs:

3 “(G) the amount of any independent ex-
4 penditure (as defined in section 301(17) of the
5 Federal Election Campaign Act of 1971 (2
6 U.S.C. 431(17)) equal to or greater than
7 \$1,000 made by such person or organization,
8 and for each such expenditure the name of each
9 candidate being supported or opposed and the
10 amount spent supporting or opposing each such
11 candidate;

12 “(H) the amount of any electioneering
13 communication (as defined in section 304(f)(3)
14 of such Act (2 U.S.C. 434(f)(3)) equal to or
15 greater than \$1,000 made by such person or or-
16 ganization, and for each such communication
17 the name of the candidate referred to in the
18 communication and whether the communication
19 involved was in support of or in opposition to
20 the candidate; and”.

21 (b) EFFECTIVE DATE.—The amendments made by
22 this section shall apply with respect to reports for semi-
23 annual periods described in section 5(d)(1) of the Lob-
24 bing Disclosure Act of 1995 that begin after the date
25 of the enactment of this Act.

1 **Subtitle D—Filing by Senate**
 2 **Candidates With Commission**

3 **SEC. 231. FILING BY SENATE CANDIDATES WITH COMMIS-**
 4 **SION.**

5 Section 302(g) of the Federal Election Campaign Act
 6 of 1971 (2 U.S.C. 432(g)) is amended to read as follows:

7 “(g) FILING WITH THE COMMISSION.—All des-
 8 ignations, statements, and reports required to be
 9 filed under this Act shall be filed with the Commis-
 10 sion.”.

11 **TITLE III—DISCLOSURE BY COV-**
 12 **ERED ORGANIZATIONS OF IN-**
 13 **FORMATION ON CAMPAIGN-**
 14 **RELATED ACTIVITY**

15 **SEC. 301. REQUIRING DISCLOSURE BY COVERED ORGANI-**
 16 **ZATIONS OF INFORMATION ON CAMPAIGN-**
 17 **RELATED ACTIVITY.**

18 Section 325 of the Federal Election Campaign Act
 19 of 1971, as added by section 212, is amended—

20 (1) by redesignating subsections (c) and (d) as
 21 subsections (e) and (f); and

22 (2) by inserting after subsection (b) the fol-
 23 lowing new subsections:

1 “(c) DISCLOSURES TO SHAREHOLDERS, MEMBERS,
2 AND DONORS OF INFORMATION ON DISBURSEMENTS FOR
3 CAMPAIGN-RELATED ACTIVITY.—

4 “(1) INCLUDING INFORMATION IN REGULAR
5 PERIODIC REPORTS.—A covered organization which
6 submits regular, periodic reports to its shareholders,
7 members, or donors on its finances or activities shall
8 include in each such report the information de-
9 scribed in paragraph (2) with respect to the dis-
10 bursements made by the organization for campaign-
11 related activity during the period covered by the re-
12 port.

13 “(2) INFORMATION DESCRIBED.—The informa-
14 tion described in this paragraph is, for each dis-
15 bursement for campaign-related activity—

16 “(A) the date of the independent expendi-
17 ture or electioneering communication involved;

18 “(B) the amount of the independent ex-
19 penditure or electioneering communication in-
20 volved;

21 “(C) the name of the candidate identified
22 in the independent expenditure or electioneering
23 communication involved, the office sought by
24 the candidate, and (if applicable) whether the
25 independent expenditure or electioneering com-

1 munication involved was in support of or in op-
2 position to the candidate;

3 “(D) in the case of a transfer of funds to
4 another person, the information required by
5 subparagraphs (A) through (C), as well as the
6 name of the recipient of the funds and the date
7 and amount of the funds transferred;

8 “(E) the source of such funds; and

9 “(F) such other information as the Com-
10 mission determines is appropriate to further the
11 purposes of this subsection.

12 “(d) PUBLIC DISSEMINATION OF CERTAIN INFORMA-
13 TION.—

14 “(1) INFORMATION INCLUDED IN REPORTS.—

15 “(A) REQUIRING DISSEMINATION.—If a
16 covered organization maintains an Internet site,
17 the organization shall post on such Internet
18 site, in a machine-readable, searchable, sortable,
19 and downloadable manner and through a direct
20 link from the homepage of the organization, the
21 following information:

22 “(i) The information the organization
23 is required to report under section
24 304(g)(5)(A) with respect to public inde-
25 pendent expenditures.

1 “(ii) The information the organization
 2 is required to include in a statement of dis-
 3 bursements for electioneering communica-
 4 tions under section 304(f)(6).

5 “(B) DEADLINE; DURATION OF POST-
 6 ING.—The covered organization shall post the
 7 information described in subparagraph (A) not
 8 later than 24 hours after the organization files
 9 the information with the Commission under the
 10 applicable provision of this Act, and shall en-
 11 sure that the information remains on the
 12 website until the expiration of the 1-year period
 13 which begins on the date of the election with re-
 14 spect to which the public independent expendi-
 15 tures or electioneering communications are
 16 made.

17 “(2) INFORMATION ON BREAKDOWN OF DIS-
 18 BURSEMENTS AMONG TYPES OF RECIPIENTS.—

19 “(A) REQUIRING DISSEMINATION.—If a
 20 covered organization maintains an Internet site,
 21 the organization shall post on such Internet
 22 site, in a machine-readable, searchable, sortable,
 23 and downloadable manner and through a direct
 24 link from the homepage of the organization, the
 25 following information with respect to the aggre-

1 gate amount of disbursements made by the or-
2 ganization for campaign-related activity during
3 a calendar year:

4 “(i) A breakdown by political party of
5 the total amount disbursed in support of
6 and in opposition to candidates of each po-
7 litical party.

8 “(ii) The total amount disbursed in
9 support of or opposition to—

10 “(I) incumbent candidates;

11 “(II) candidates challenging in-
12 cumbent candidates; and

13 “(III) candidates for election to
14 an office for which no incumbent is
15 seeking re-election.

16 “(B) DEADLINE; DURATION OF POST-
17 ING.—A covered organization shall post the in-
18 formation described in subparagraph (A) with
19 respect to a calendar year not later than the
20 first January 31 which follows that calendar
21 year, and shall ensure that the information re-
22 mains on the website until the end of the cal-
23 endar year in which the information is posted.”.

1 **TITLE IV—TELEVISION MEDIA**
2 **RATES**

3 **SEC. 401. TELEVISION MEDIA RATES.**

4 (a) APPLICATION OF EQUAL OPPORTUNITIES RE-
5 QUIREMENT AND PROHIBITION OF CENSORSHIP TO CAN-
6 DIDATE AND NATIONAL COMMITTEES OF POLITICAL PAR-
7 TIES.—

8 (1) IN GENERAL.—The matter preceding para-
9 graph (1) of section 315(a) of the Communications
10 Act of 1934 (47 U.S.C. 315(a)) is amended to read
11 as follows:

12 “(a) IN GENERAL.—If any licensee shall permit any
13 person who is a legally qualified candidate for any public
14 office or any national committee of a political party in con-
15 nection with a campaign of a legally qualified candidate
16 for Federal office to use a broadcasting station, the li-
17 censee shall afford equal opportunities in the use of such
18 broadcasting station to all other such candidates for that
19 office or national committees of political parties in connec-
20 tion with such campaign for such office: Provided, That
21 such licensee shall have no power of censorship over the
22 material broadcast under the provisions of this section. No
23 obligation is imposed under this subsection upon any li-
24 censee to allow the use of its station by any such candidate
25 or national committee. Appearance by a legally qualified

1 candidate or a representative of a national committee of
 2 a political party on behalf of any legally qualified can-
 3 didate for Federal office on any—”.

4 (2) CONFORMING AMENDMENT.—Section
 5 315(a)(3) of such Act (47 U.S.C. 315(a)(3)) is
 6 amended by striking “candidate” and inserting
 7 “candidate or representative”.

8 (b) REASONABLE ACCESS TO PURCHASE BROAD-
 9 CASTING TIME.—

10 (1) REASONABLE ACCESS BY POLITICAL PAR-
 11 TIES.—Section 312(a)(7) of such Act (47 U.S.C.
 12 312(a)(7)) is amended—

13 (A) by striking “reasonable amounts of
 14 time” and inserting “reasonable amounts of
 15 time, including reasonable amounts of time pur-
 16 chased at the lowest unit charge under section
 17 315(b),”;

18 (B) by striking “elective”; and

19 (C) by striking the period at the end and
 20 inserting the following: “or by a national com-
 21 mittee of a political party (including a national
 22 congressional campaign committee of a political
 23 party) in connection with the campaign of such
 24 candidate.”.

1 (2) DETERMINATION.—Section 312(c) of such
 2 Act (47 U.S.C. 312(c)) is amended by inserting
 3 after the second sentence the following: “In deter-
 4 mining whether reasonable amounts of time, includ-
 5 ing reasonable amounts of time purchased at the
 6 lowest unit charge under section 315(b), have been
 7 provided under subsection (a)(7), the Commission
 8 shall examine and consider the time provided by the
 9 licensee, permittee, or person to purchase time, in-
 10 cluding nonpreemptible time, by purchasers other
 11 than a legally qualified candidate for Federal office
 12 on behalf of his candidacy or by a national com-
 13 mittee of a political party (including a national con-
 14 gressional campaign committee of a political party)
 15 in connection with such campaign.”

16 (c) LOWEST UNIT CHARGE.—

17 (1) CHARGES FOR CANDIDATES FOR FEDERAL
 18 OFFICE.—Section 315(b) of such Act (47 U.S.C.
 19 315(b)) is amended—

20 (A) in paragraph (1)(A), by striking
 21 “paragraph (2)” and inserting “paragraphs (2)
 22 and (3)”;

23 (B) by redesignating paragraph (2) as
 24 paragraph (3); and

1 (C) by inserting after paragraph (1) the
2 following:

3 “(2) CHARGES FOR CANDIDATES FOR FEDERAL
4 OFFICE.—

5 “(A) LIMITATION ON CHARGES.—Subject
6 to subparagraphs (B) and (C), the charges
7 made for the use of any broadcasting station by
8 any person who is a legally qualified candidate
9 for any Federal office in connection with the
10 campaign of such candidate for election to such
11 office, or by a national committee of a political
12 party in connection with such campaign, shall
13 not exceed—

14 “(i) subject to paragraph (3), during
15 the 45 days preceding the date of a pri-
16 mary or primary runoff election and dur-
17 ing the 60 days preceding the date of a
18 general or special election in which such
19 person is a candidate, the lowest unit
20 charge of the station for the same amount
21 of time that was offered at any time dur-
22 ing the 180 days preceding the date of use;
23 and

1 “(ii) at any other time, the charges
2 made for comparable use of such station
3 by other users thereof.

4 “(B) GEOGRAPHIC LIMITATION.—The limi-
5 tation on charges under subparagraph (A) shall
6 only apply for the use of a broadcasting station
7 in the media markets that cover the State (or
8 States) in which the candidate is seeking elec-
9 tion to Federal office.

10 “(C) ELIGIBILITY.—

11 “(i) IN GENERAL.—The limitation on
12 charges under subparagraph (A) shall only
13 apply if, in an election for a Federal office,
14 a covered organization under section 325
15 of the Federal Election Campaign Act of
16 1971 makes disbursements for election-
17 eering communications in connection with
18 any legally qualified candidate for Federal
19 office or for independent expenditures in
20 an aggregate amount of \$50,000 or more
21 during a calendar year.

22 “(ii) APPLICATION.—In such cir-
23 cumstances, the limitation on charges
24 under subparagraph (A) shall apply to all
25 legally qualified candidates for Federal of-

1 fice in such election and national commit-
 2 tees of political parties in connection with
 3 such election.

4 “(iii) REQUIREMENT.—In an election
 5 for Federal office in which no covered or-
 6 ganization has made the disbursements de-
 7 scribed in clause (i), all legally qualified
 8 candidates in such election shall be entitled
 9 to receive the lowest unit charge described
 10 in paragraph (1) for as long as no such
 11 disbursements are made in such election.

12 “(D) SEVERABILITY.—If the operation of
 13 subparagraph (C) is enjoined by any court of
 14 competent jurisdiction, or if subparagraph (C)
 15 is held to be constitutionally insufficient by
 16 final judicial decision, then subparagraph (A)
 17 shall take effect immediately without any limi-
 18 tation imposed by subparagraph (C).”.

19 (2) NATIONAL COMMITTEE CHARGES.—Section
 20 315(b)(1) of such Act (47 U.S.C. 315(b)(1)) is
 21 amended in the matter preceding subparagraph (A)
 22 by striking “office shall” and inserting “office or by
 23 a national committee of a political party in connec-
 24 tion with the campaign of a legally qualified can-
 25 didate for Federal office shall”.

1 (3) ADEQUATE ACCESS AT LOWEST UNIT
2 CHARGE.—Section 315(b) of such Act (47 U.S.C.
3 315(b)) is amended by adding at the end the fol-
4 lowing:

5 “(4) ADEQUATE ACCESS AT LOWEST UNIT
6 CHARGE.—A licensee shall take all actions necessary
7 to ensure access to the use of a broadcasting station,
8 in accordance with the requirements under para-
9 graph (2), to meet the obligations under section
10 312(a)(7) for the use of such station by a legally
11 qualified candidate for Federal office on behalf of
12 his candidacy and by a national committee of a po-
13 litical party in connection with the campaign of such
14 candidate.”.

15 (4) CONFORMING AMENDMENT.—Section
16 315(b)(3) of such Act (as redesignated by paragraph
17 (1)(A)) is amended by striking “under paragraph
18 (1)(A)” each place it appears and inserting “under
19 paragraph (1)(A) or (2)(A)(i)”.

20 (5) REQUIRING ORGANIZATIONS TO NOTIFY
21 COMMISSION IF DISBURSEMENTS EQUAL OR EXCEED
22 THRESHOLD.—Title III of the Federal Election
23 Campaign Act of 1971 (2 U.S.C. 431 et seq.), as
24 amended by section 213(a), is further amended by
25 adding at the end the following new section:

1 **“SEC. 327. REQUIRING COVERED ORGANIZATIONS TO NO-**
 2 **TIFY COMMISSION AND FCC IF DISBURSE-**
 3 **MENTS EQUAL OR EXCEED THRESHOLD.**

4 “(a) NOTIFICATION REQUIRED IF ELECTION- OR
 5 CANDIDATE-SPECIFIC DISBURSEMENTS EQUAL OR EX-
 6 CEED THRESHOLD.—Not later than 24 hours after the
 7 date by which the aggregate amount of disbursements
 8 made by a covered organization for campaign-related ac-
 9 tivity with respect to a specific election or a specific can-
 10 didate (together with the amount of any disbursements
 11 contracted to be made by the organization for such activ-
 12 ity) first equals or exceeds \$50,000, the organization shall
 13 file a report with the Commission and with the Federal
 14 Communications Commission which states the amount of
 15 the disbursements and identifies the election or candidate
 16 involved.

17 “(b) DEFINITIONS.—For purposes of subsection (a),
 18 the terms ‘campaign-related activity’ and ‘covered organi-
 19 zation’ have the meaning given such terms in section
 20 325.”.

21 (d) PREEMPTION; RANDOM AUDITS.—Section 315 of
 22 the Communications Act of 1934 (47 U.S.C. 315) is
 23 amended—

24 (1) by redesignating subsection (c) as sub-
 25 section (g);

1 (2) by redesignating subsection (d) as sub-
2 section (f); and

3 (3) by inserting after subsection (b) the fol-
4 lowing:

5 “(c) PREEMPTION.—

6 “(1) IN GENERAL.—Except as provided in para-
7 graph (2), a licensee shall not preempt the use of a
8 broadcasting station by a legally qualified candidate
9 for Federal office or a national committee of a polit-
10 ical party in connection with the campaign of such
11 candidate.

12 “(2) CIRCUMSTANCES BEYOND CONTROL OF LI-
13 CENSEE.—If a program to be broadcast by a broad-
14 casting station is preempted because of cir-
15 cumstances beyond the control of the station, any
16 scheduled use of a broadcasting station by such can-
17 didate or committee scheduled during that program
18 may also be preempted.

19 “(d) RANDOM AUDITS.—

20 “(1) IN GENERAL.—During the 45 days pre-
21 ceding a primary election and the 60 days preceding
22 a general election, the Commission shall conduct
23 random audits of designated market areas to ensure
24 that each broadcasting station to which this section
25 applies is allocating broadcast time for legally quali-

1 fied candidates for Federal office in accordance with
2 this section and section 312.

3 “(2) MARKETS.—Each audit conducted under
4 paragraph (1) shall cover the following markets:

5 “(A) At least 6 of the top 50 largest des-
6 ignated market areas.

7 “(B) At least 3 of the 51–100 largest des-
8 ignated market areas.

9 “(C) At least 3 of the 101–150 largest
10 designated market areas.

11 “(D) At least 3 of the 151–210 largest
12 designated market areas.

13 “(3) BROADCAST STATIONS.—Each random
14 audit shall include each of the 3 largest television
15 broadcast networks, 1 independent television net-
16 work, 1 cable network, 1 provider of satellite serv-
17 ices, and 1 radio network.”.

18 (e) POLITICAL FILE.—Section 315(e) of such Act (47
19 U.S.C. 315(e)) is amended by adding at the end the fol-
20 lowing:

21 “(4) PUBLIC ACCESS TO POLITICAL FILE.—In
22 making a record available for public inspection
23 under paragraph (1), a licensee shall make available
24 on a timely basis on the station’s Web site the
25 record of a request to purchase broadcast time that

1 is made by or on behalf of a legally qualified can-
 2 didate for Federal office, a national committee of a
 3 political party in connection with a campaign for
 4 such office, or by a covered organization under sec-
 5 tion 325(c) of the Federal Election Campaign Act of
 6 1971 for electioneering communications in connec-
 7 tion with any legally qualified candidate for Federal
 8 office or for independent expenditures.”.

9 (f) DEFINITIONS.—Section 315(g) of such Act (as re-
 10 designated by subsection (d)(1)) is amended—

11 (1) by striking “For purposes” and inserting
 12 “DEFINITIONS.—For purposes”;

13 (2) in paragraph (1), by striking “; and” and
 14 inserting the following: “and a provider of cable or
 15 satellite television service, except that such term
 16 does not include a noncommercial educational broad-
 17 cast station as defined under section 397;”

18 (3) in paragraph (2), by striking the period at
 19 the end and inserting a semicolon; and

20 (4) by adding at the end the following:

21 “(3) the terms ‘authorized committee’, ‘elec-
 22 tion’, ‘electioneering communications’, ‘Federal of-
 23 fice’, and ‘independent expenditure’ have the mean-
 24 ings given such terms by section 301 of the Federal
 25 Election Campaign Act of 1971 (2 U.S.C. 431);

1 “(4) the term ‘designated market area’ has the
2 meaning given such term in section 122(j)(2)(C) of
3 title 17, United States Code; and

4 “(5) the term ‘national committee of a political
5 party’ includes a national congressional campaign
6 committee of a political party.”.

7 (g) STYLISTIC AMENDMENT.—Section 315(f) of such
8 Act (as redesignated by subsection (d)(2)), is amended by
9 striking “The Commission” and inserting “REGULA-
10 TIONS.—The Commission”.

11 **TITLE V—OTHER PROVISIONS**

12 **SEC. 501. JUDICIAL REVIEW.**

13 (a) SPECIAL RULES FOR ACTIONS BROUGHT ON
14 CONSTITUTIONAL GROUNDS.—If any action is brought for
15 declaratory or injunctive relief to challenge the constitu-
16 tionality of any provision of this Act or any amendment
17 made by this Act, the following rules shall apply:

18 (1) The action shall be filed in the United
19 States District Court for the District of Columbia,
20 and an appeal from a decision of the District Court
21 may be taken to the Court of Appeals for the Dis-
22 trict of Columbia Circuit.

23 (2) A copy of the complaint shall be delivered
24 promptly to the Clerk of the House of Representa-
25 tives and the Secretary of the Senate.

1 (3) It shall be the duty of the United States
2 District Court for the District of Columbia, the
3 Court of Appeals for the District of Columbia Cir-
4 cuit, and the Supreme Court of the United States to
5 advance on the docket and to expedite to the great-
6 est possible extent the disposition of the action and
7 appeal.

8 (b) INTERVENTION BY MEMBERS OF CONGRESS.—In
9 any action in which the constitutionality of any provision
10 of this Act or any amendment made by this Act is raised,
11 any member of the House of Representatives (including
12 a Delegate or Resident Commissioner to the Congress) or
13 Senate shall have the right to intervene either in support
14 of or opposition to the position of a party to the case re-
15 garding the constitutionality of the provision or amend-
16 ment. To avoid duplication of efforts and reduce the bur-
17 dens placed on the parties to the action, the court in any
18 such action may make such orders as it considers nec-
19 essary, including orders to require intervenors taking simi-
20 lar positions to file joint papers or to be represented by
21 a single attorney at oral argument.

22 (c) CHALLENGE BY MEMBERS OF CONGRESS.—Any
23 Member of the House of Representatives (including a Del-
24 egate or Resident Commissioner to the Congress) or Sen-
25 ate may bring an action, subject to the special rules de-

1 scribed in subsection (a), for declaratory or injunctive re-
2 lief to challenge the constitutionality of any provision of
3 this Act or any amendment made by this Act.

4 **SEC. 502. SEVERABILITY.**

5 If any provision of this Act or amendment made by
6 this Act, or the application of a provision or amendment
7 to any person or circumstance, is held to be unconstitu-
8 tional, the remainder of this Act and amendments made
9 by this Act, and the application of the provisions and
10 amendment to any person or circumstance, shall not be
11 affected by the holding.

12 **SEC. 503. EFFECTIVE DATE.**

13 Except as otherwise provided, this Act and the
14 amendments made by this Act shall take effect upon the
15 expiration of the 30-day period which begins on the date
16 of the enactment of this Act, and shall take effect without
17 regard to whether or not the Federal Election Commission
18 has promulgated regulations to carry out such amend-
19 ments.

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